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MEMORANDUM for : The Director

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Mandatory Review
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SUBJECT: ~~The~~ The Saigon Government's Move Against Danang

① Information available in Washington on precisely what has happened in the Danang area during the past twenty four hours -- and what is now happening there, in Hue and in Saigon -- is too fragmentary to permit even moderately well informed speculation, let alone interpretations or conclusions that can be offered with any degree of confidence. We know that a total of three government (i.e., pro-Saigon) battalions (two marine and one airborne) were moved into the Danang area and that after some -- but apparently minor -- skirmishing they took at least temporary control of I Corps Headquarters and other strategic locations including Danang radio. We do not ^{yet} know what prompted this operation, what its overall objectives are, whether it is but the first step in a larger Directory plan, and what the reaction of other interested parties (e.g., the Struggle forces, the Buddhists, the First and Second Divisions, etc.) will be.

① In some ways, the Directory operation actually launched on 15 May (Vietnam time) strongly resembles the plan discussed in March when the agitation sparked by Gen. Thi's ouster first began building up and Danang first came under effective control of the Struggle Forces. At that time the Directory indicated it was thinking of having pro-QVN loyalist elements, especially among the Central Vietnam VNQDD, stir up activity which would serve as a pretext for large scale intervention by Saigon forces and a forcible re-establishment of Saigon control. This earlier plan was shelved but may well not have been forgotten, since recent events may have been guided by its modified reincarnation. Catholic and VNQDD groups in Central Vietnam have been active in recent weeks and the temperature in the I Corps area has risen as a result of their activity.

Not knowing exactly what the Directory's plans and intentions are, one can only speculate on the causes of their recent actions. Gen. Dinh had succeeded in restoring a surface calm to I Corps, but the area obviously could not be said to have been ~~restored~~ restored to Saigon's effective political control. Dinh's own motives and ambitions were also suspect in the minds of his ostensible Directory colleagues. The Struggle Force could not honestly or accurately be termed a Communist movement, but left wing, neutralist and pro-VC elements were obviously penetrating the struggle force structure and gaining some measure of influence within it. The output of Danang and Hue radios ~~increasingly~~ was increasingly incorporating themes of obvious Viet Cong inspiration. The activities of the Buddhists, particularly Buddhist chaplains, were undermining Army morale and discipline in I Corps and were beginning to be felt in II Corps. ^(in I Corps) The Directory may have felt that under its surface calm the situation was deteriorating rapidly and the rot had to be surgically arrested in the national interest. Ky, Thieu and other senior Directory leaders such as Co may have found themselves under increasing pressure from activists like Col. Loan and Marine general Khang and the field-grade officers known as the "Baby Turks". The Directory almost certainly recognized that had they surfaced their intentions to the Americans, we would have endeavored to dissuade them from acting, and this is probably among the principal reasons why they kept their hand so carefully concealed from us.

As for Ky's objectives, again we can only speculate in a very tentative and diffident manner. Ky and his colleagues may feel that if they can re-establish control over Danang and bag the major struggle leaders (Mayor ~~Lee~~ ^{Ma}, Col. Yeu,), Hue can indeed be safely left to wither on the vine and the remainder of the I Corps struggle movement will either collapse or can be curbed by a combination of Saigon-inspired VNQD^D and Catholic activity. Conversely, the Danang operation may be only the first phase of a larger plan in which it is envisioned that ^{Hue} ~~may~~ will be occupied after Danang is secured and the government's writ then forcibly extended throughout I Corps. The Directory may also feel that an effective show of force in Central Vietnam will serve to sober, and hence curb, its more vocal and active opponents throughout the rest of the Country, including Saigon -- e.g., the Buddhists responsive to the dictates of the Buddhist Institute over which Tri Quang now exercises de facto control. Even if these are indeed the Directory's objectives, it is still not clear whether the Directory intends to scuttle the present program of elections and transfer to civilian rule or is only trying to strengthen its hand during the ensuing weeks and months of political maneuver.

Reactions are even harder to estimate at the present time than intentions or objectives. Much will depend on how successful the Government's move against Danang proves to be and how effective the struggle organization proves to be when put to the test. If the GVN can secure Danang surgically, swiftly and with minimal effective opposition, its political hand will be at least temporarily strengthened. ^{with the 1st and 2nd Divisions' command in I Corps} Gen. Nhuan and Gen. Lam will then have to reassess the new balance of strength and determine what course their personal best interests dictate. This could be the course of conciliation and reacceptance of Saigon control through some face-saving formula. On the other hand, if the Danang operation itself proves sticky or meets with serious resistance, the danger of fratricidal civil war in I Corps becomes very real indeed. Even if the Danang operation itself is successful, the spectre of such civil strife is still very much present.

About all that can be said with confidence about the Buddhists is that they will be profoundly upset by the Government's move. If they sense weakness, irresolution or a tactical opportunity they will certainly move to protest strongly. However, if they should determine that the forces arrayed against them are demonstrably too strong to trifle with, they may hold their fire and bide their time. Again, much will depend on the play of the hand in Danang, in Hue, and in Saigon over the next few hours and days.

In making its move against Danang, the Ky government has gambled a great deal on one play. If the operation proves unsuccessful or sparks anarchy and civil war in I Corps, the ~~Directorate~~ odds are considerably better than even that the Directorate itself will not be able to survive. Even if the operation succeeds, Vietnamese politics will be even stickier than they have been during the period where various interested parties reassess new developments and the balance of forces they have created. At the moment all we can do is keep the closest possible watch over the situation and endeavor to assign meaning and value to facts as they emerge.